

THE IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES ON KNOWLEDGE MANAGEMENT

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ABSTRACT

Empirical knowledge gaps were identified in management literature in relation to impact of Human Resource Management (HRM) Practices on Knowledge Management (KM). Because, little empirical research has explicitly examined the relationship between HRM practices and each of the KM processes. Thus, the purpose of this study was to explain and empirically test the impact of HRM practices on KM in selected commercial banks in Kandy District. It concentrated on HRM practices related to Recruitment and Selection, Training and Development, Performance Appraisal, Compensation and Reward and Employee Empowerment.

In order to achieve this primary aim, data were collected through open ended questionnaires from 196 employees in 12 Licensed Commercial Banks (LCBs) branches in Kandy District. Hence, quantitative research approach was used in this study. The research method was descriptive correlative type and it was based on the objective of the method applied. The stratified sampling method was used to make the sampling frame work of the study. The data were analyzed by using univariate, bivariate and multivariate analyses to take the descriptive and inferential statistics. Univariate analysis was used to find out the levels of HRM practices and KM exist in selected commercial banks in Kandy District and bivariate and multivariate analyses were used to investigate the impact of HRM practices on KM in selected commercial banks in Kandy District.

The results indicated that the levels of HRM practices and KM exist in selected commercial banks in Kandy District were high level and the recruitment and selection, training and development, performance appraisal and employee empowerment practices had significant positive impact on KM while compensation and reward practices had not significant positive impact on KM. The findings of the study provided several important implications for managers and decision makers of the banks. The study was contributed to the body of knowledge by filling the gaps in the management literature and by substantiating the findings of previous research while the study generates considerable theoretical and practical contributions.

Keywords: Human Resource Management practices, Knowledge Management, Ability-Motivation-Opportunity (AMO) theory

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